

Message Text

UNCLASSIFIED

PAGE 01 CANBER 03303 310914Z

15

ACTION EA-07

INFO OCT-01 ISO-00 FBO-01 A-01 /010 W

----- 099148

P 310752Z MAY 74

FM AMEMBASSY CANBERRA

TO SECSTATE WASHDC 3097 PRIORITY

UNCLAS CANBERRA 3303

FOR: EA/EX

WETHERBEE

REINER.

EO 11652: NA.

TAGS: ABLD, AFSP, AS.

SUBJ: LEASE WITH DEFERRED PURCHASE-QUARTERS FOR OCCUPANT
OF PROPERTY 03307.

1. SYNOPSIS:

AUTHORIZATION REQUESTED TO ENTER INTO A SHORT TERM LEASE
INCLUDE FULL PURCHASE WITHIN THE MAXIMUM FRAME OF ONE
YEAR OF RESIDENTIAL QUARTERS TO HOUSE PRESENT OCCUPANT OF
PROPERTY 03307. POST HAS OBTAINED TEN DAY NO COST OPTION
ON AN EXCELLENT PIECE OF RESIDENTIAL REAL ESTATE LOCATED
IN THE PRESTIGE SUBURB OF O'MALLEY. PREMISES VIEWED BY
PRESENT OCCUPANT OF PROPERTY 03307 AND FOUND COMPLETELY
ACCEPTABLE WITH EXCEPTION OF MINOR VARIATIONS REFLECTED
BELOW.

BACKGROUND.

REFERENCE CITED THE FORWARDING OF THE A&E SURVEY PLANS
COVERING CONVERSION OF RESIDENTIAL PROPERTY 03307 TO
OFFICE SPACE. CONTRACTORS COULD PROCEED WITHIN MATTER
OF WEEKS ALLOWING FOR MOST TIMELY COMPLETION. STUMBLING
BLOCK REMAINS LACK OF APPROPRIATE ALTERNATIVE QUARTERS
TO HOUSE FAMILY OF COUNSELOR FOR POLITICAL AFFAIRS,
CURRENTLY HOUSED IN THESE QUARTERS. KINGSTON REDEVELOPMENT
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 CANBER 03303 310914Z

REMAINS AKIN TO LIMBO FOR TIME BEING WITH MINISTER FOR

CAPITAL TERRITORY PRESENTLY REMAINING IN POWER AS
RESULT OF RECENT FEDERAL ELECTIONS) EXPECTED TO MAINTAIN
STATUS QUO TIME BEING.

3. IN ITS CONTINUING SEARCH FOR ACCEPTABLE RESIDENTIAL
PROPERTIES, REPRESENTING GOOD LONG RANGE INVESTMENT, A
ONE YEAR OLD CONTEMPORARY MODERN RESIDENCE LOCATED AT
NO. 3 TIMBARA CRESENT, IN THE NEWLY ESTABLISHED PRESTIGE
SUBURB OF O'MALLEY (7-MINUTES FROM CHANCERY) CAME TO THE
EMBASSY'S ATTENTION. DESCRIPTION OF PREMISES FOLLOWS:
ENTRANCE FOYER; LIVING ROOM WITH STEP-DOWN CONVERSATIONAL
AREA AND FIREPLACE; SEPARATE DINING ROOM; KITCHEN WHICH
INCLUDES DISHWASHER, COUNTER EATING AREA AND ADJOINING FAMILY
AREA; STUDY WHICH ADJOINS MASTER ENSUITE; LATTER
INCLUDING WALK-IN DRESSING ROOM AND BATH; FOUR
BEDROOMS AND STORAGE ROOM; DIVED FAMILY BATH; 16-
CLOSETS THROUGHOUT; DOUBLE CARPORT; LARGE SANDSTONE
COMPLETELY ENCLOSED COURTYARD; SITUATED ON ONE AND ONE
QUARTER ACRE LOT OVERLOOKING ENTIRE WODEN VALLEY.

4. ABOVE RESIDENCE, UNDER CONSTRUCTION FOR APPROXIMATELY
ONE YEAR, AND COMPLETED MARCH 1973, IS OWNED BY
ACADEMICS WHO HAVE JUST RECEIVED UNEXPECTED TRANSFER
TO SYDNEY. DUE CURRENT TIGHT LOCAL FINANCE SQUEEZE,
AND REQUIREMENT THAT OWNERS OBTAIN, SOONEST, REPLACEMENT
QUARTERS IN SYDNEY, THEY ARE PREPARED NEGOTIATE LEASE
WITH DEFERRED PURCHASE BY U.S. GOVERNMENT TO USE AS
COLLATERAL IN SYDNEY HOMESTEADING.

5. IN ESSENCE, THEY PREPARED ACCEPT FOLLOWING: BASE
SETTLEMENT PRICE TO BE DETERMINED NOW BY ESTIMATES FROM
TWO INDEPENDENT VALUERS. LEASE TO COVER ENTIRE PERIOD
UP TO SETTLEMENT AT EIGHT AND ONE-HALF PERCENT OF BASE
SETTLEMENT - PAYMENTS TO BE MADE MONTHLY IN ADVANCE. BASED
ON EXTREMELY VOLATILE CANBERRA REAL ESTATE MARKET OWNERS
OF COURSE, UNWILLING TO FIX INFLEXIBLE BASE (RELATED TO
FINAL SETTLEMENT, NOT LEASE COSTS) WHERE HOUSING AND
CONSTRUCTION COSTS SKYROCKETING. PREPARED TO FIX
A MONTHLY INCREASE OF BASE, DURING PERIOD OF LEASE, OR
FINAL SETTLEMENT, RELATED TO COST OF LIVING INDEX OR
UNCLASSIFIED

UNCLASSIFIED

PAGE 03 CANBER 03303 310914Z

A\$1,000.00 PER MONTH, WHICHEVER AMOUNT IS THE SMALLEST.
ASSUMING VALUATION FIXED AT D\$90,000, WITH LEASE
EFFECTIVE JULY 1; LEASE RENTAL WOULD BE APPROXIMATELY
A\$150.00 PER WEEK. IF SETTLEMENT OF KINGSTON TRANSFER
IS FORTHCOMING DURING THE MONTH OF JULY, SETTLEMENT
COST, AS OF AUGUST 1, AFTER PAYMENT OF ONE MONTH'S
LEASE RENTAL, WOULD BE EITHER \$91,000 OR A LESSER FIGURE
BASED ON PERCENTILE INDEX RISE DURING MONTH OF JULY.

OWNER FIRM, HOWEVER, ON REQUIREING CLOSED-END COMMITMENT, TO ALLOW MAXIMUM LEVERAGE HIS SYDNEY DEALINGS.

6. VARIATION CITED ABOVE INCLUDE; ENLARGEMENT OF DINING ROOM TO 14' X 14'6" THRU MOVE OF NON-BEARING PARTITION BETWEEN DINING ROOM AND FAMILY ROOM; CUTTING ACCESS FROM KITCHEN TO FAMILY ROOM (DINETTE AREA) THROUGH COUNTER-HIGH CUPBOARDS; REMOVING NON-BEARING PARTITION BETWEEN BEDROOM NO. 4 AND STOREROOM; AND INTRODUCTION OF GROUP GARAGE DOORS. TOTAL ANTICIPATED COSTS: A\$2,500.00 (US\$3724.25).

7. PHOTOGRAPHS, PLOT, LANDSCAPING AND ROOM PLANS BEING FORWARDED INTERNATIONAL AIR MAIL.

ACTION REQUESTED:

EMBASSY REQUESTS AUTHORITY UTILIZE FUNDS CITED PARA. 4 STATE 242259, TO OBTAIN TWO INDEPENDENT VALUATIONS OF THIS PROPERTY TO DETERMINE A BASE WITH WHICH TO FURTHER NEGOTIATE. VALUATIONS EXPECTED APPROXIMATE A\$90,000. PRIORITY REPLY REQUESTED, SINCE VALUATIONS SHOULD TAKE PLACE EARLIEST POSSIBLE WEEK OF JUNE 2 ENABLE REPORTING AND EVALUATION PRIOR EXPIRATION CURRENT OPTION JUNE 10. WITHOUT EXCEPTION THIS IS FINEST INVESTMENT PROPERTY VIEWED DURING SEARCH EXTENDING OVER ALMOST FULL YEAR, AND ITS AVAILABILITY MOST TIMELY TO ALLOW OPERATIONAL ADMINISTRATIVE ANNEX AT EARLY DATE.
GREEN

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 31 MAY 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974CANBER03303
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740137-0734
From: CANBERRA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t1974054/aaaaadgs.tel
Line Count: 144
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: martinml
Review Comment: n/a
Review Content Flags:
Review Date: 05 NOV 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <05 NOV 2002 by boyleja>; APPROVED <08 JAN 2003 by martinml>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: LEASE WITH DEFERRED PURCHASE-QUARTERS FOR OCCUPANT OF PROPERTY 03307.
TAGS: ABLD, AFSP, AS
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005